I. Call to Order/Roll Call/Quorum Determination

II. Minutes Approval

Bethlehem Industrial Development Agency - Regular Meeting - Oct 28, 2016 8:00 AM

III. Reports of Committees

IV. Communications

V. Old Business

1. Planning Board Update (Leslie)
2. Report of ED Coordinator (Staubach)
3. Columbia 15 Project (Connolly)
4. SAE Sun (Monolith) Project
   a. Letter 10/25/16 Extend Approving Resolution (Connolly)
   b. Member Questions for Company (Erby/Fobare/Pickett)
   c. Resolution to Extend Approving Resolution: Construction Start 5 months and Construction Completion 2 years (Scott)

VI. New Business

1. Financial Statements 10/31/16 (Maikels)
2. Administrative Services Contract 2017/Resolution (Connolly)
3. Regular Meeting - December 16, 2016 8:00 a.m. Auditorium

VII. Adjourn
I. Call to Order/Roll Call/Quorum Determination

A Regular Meeting of the Bethlehem Industrial Development Agency of the Town of Bethlehem was held on the above date at the Town Hall Auditorium, 445 Delaware Avenue, Delmar, NY. The Meeting was called to order at 8:03 AM with the presence of a quorum noted.

<table>
<thead>
<tr>
<th>Attendee Name</th>
<th>Title</th>
<th>Status</th>
<th>Arrived</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frank S. Venezia</td>
<td>Board Member/Chairman</td>
<td>Present</td>
<td></td>
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<tr>
<td>Joseph P. Richardson</td>
<td>Board Member/Vice Chairman</td>
<td>Present</td>
<td></td>
</tr>
<tr>
<td>Tim McCann</td>
<td>Secretary</td>
<td>Present</td>
<td></td>
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<tr>
<td>Victoria Storrs</td>
<td>Assistant Secretary</td>
<td>Present</td>
<td></td>
</tr>
<tr>
<td>Sandra Shapard</td>
<td>Board Member</td>
<td>Absent</td>
<td></td>
</tr>
<tr>
<td>Tim Maniccia</td>
<td>Board Member</td>
<td>Present</td>
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<tr>
<td>David Kidera</td>
<td>Board Member</td>
<td>Present</td>
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<tr>
<td>Thomas P. Connolly</td>
<td>Executive Director/Agency Counsel</td>
<td>Present</td>
<td></td>
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<tr>
<td>Joe Scott</td>
<td>Bond Counsel</td>
<td>Present</td>
<td></td>
</tr>
<tr>
<td>Allen F. Maikels</td>
<td>CFO and Contracting Officer</td>
<td>Present</td>
<td></td>
</tr>
<tr>
<td>Robin Nagengast</td>
<td>Assistant to the Executive Director</td>
<td>Present</td>
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<tr>
<td>Elizabeth Staubach</td>
<td>Senior Planner/ED Coordinator</td>
<td>Present</td>
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</tr>
<tr>
<td>Robert Leslie</td>
<td>Director of Planning</td>
<td>Present</td>
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</tr>
</tbody>
</table>

II. Minutes Approval

1. Friday, September 23, 2016
RESULT: ACCEPTED [5 TO 0]  
MOVER: Joseph P. Richardson, Board Member/Vice Chairman  
SECONDER: Tim McCann, Secretary  
AYES: Venezia, Richardson, McCann, Storrs, Kidera  
ABSTAIN: Tim Maniccia  
ABSENT: Sandra Shapard  

III. Reports of Committees  
None.  

IV. Communications  
None.  

V. Old Business  
- PLANNING BOARD UPDATE (LESLIE)  
  No update.  
- REPORT OF ED COORDINATOR (STAUBACH)  
  Garden Bistro received a Small Business Assistance grant from New York State Homes and Community Renewal to develop a catering business. Seven new jobs will be created. Two or three more applications are anticipated.  
  The LWRP held a public workshop. Public focus is on continuing developing industrial growth in appropriately zoned areas.  
- COLUMBIA 15 PROJECT (CONNOLLY)  
  There is no change to report.  
- SAE SUN (MONOLITH) PROJECT (SCOTT)  
  In a letter dated October 25, 2016, Monolith is requesting an extension of the expiration date of the resolution approving financial assistance due to delays in obtaining mortgage commitment from their lender and the SBA. A silent owner in the company won't guarantee the $5 million bank loan. Negotiations are underway to reduce their ownership below the 20% threshold where their guarantee will no longer be required. Monolith's contingency plan is to obtain conventional financing.  
  The request will be on the November 18 Regular Meeting agenda.  

VI. New Business  
- FINANCIAL STATEMENTS 9/30/16 (MAIKELS)  
  The gap in the budget will be reduced after next PSEG billing.
APPLICATION OF CPI BETHLEHEM BERK I LLC AND CPI BETHLEHEM BERK II LLC FOR ASSIGNMENT, ASSUMPTION, CONSENT AND RELEASE OF FINANCIAL ASSISTANCE DOCUMENTS NOW OWNED BY RSN BETHLEHEM LLC (11 VISTA BLVD) (MICHAEL HANSON)

Two limited liability companies propose to purchase 11 Vista Boulevard and 12 Vista Boulevard and have submitted an application to transfer the existing PILOT agreements for financial assistance.

A. AGENCY FEE (CONNOLLY)

A fee of $1,500 was agreed on for each transaction.

B. RESOLUTION (SCOTT)

Upon motion by Ms. Storrs, seconded by Mr. Kidera, with all members present in favor, the Agency approved the resolution approving the assignment, assumption, consent and release of financial assistance documents by CPI Bethlehem Berk I LLC and CPI Bethlehem Berk II LLC.

RESOLUTION CONSENTING TO AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT TO THE ASSIGNMENT AND ASSUMPTION OF THE RSN BETHLEHEM LLC PROJECT.

WHEREAS, Town of Bethlehem Industrial Development Agency (the Agency) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the Enabling Act) and Chapter 582 of the 1973 Laws of New York, as amended, constituting Section 909-b of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the Act) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more projects (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on May 9, 2012, (the Closing Date), the Agency entered into a lease agreement dated as of May 1, 2012 (the Lease Agreement) by and between the Agency and Columbia Bethlehem Berk LLC (the Original Company) for the purpose of undertaking a project (the Project) consisting of the following: (A) (1) the acquisition of an interest in an approximately
0.57 acre parcel of land located at 11 Vista Boulevard in the Town of Bethlehem, Albany County, New York (the Land), (2) the construction on the Land of an approximately 2,500 square foot building (the Facility), (3) the further construction on the Land of related parking and other infrastructure improvements (collectively, the Improvements) and (4) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property including without limitation tenant improvement and finish (collectively, the Equipment) (the Land, the Facility, the Improvements and the Equipment being collectively referred to as the Project Facility), all of the foregoing to be owned by the Original Company and leased to a tenant for use by the tenant as a financial branch center for banking services and other related uses; (B) the lease (with or without an option to purchase) or sale of the Project Facility to the Original Company and (C) the granting of certain financial assistance with respect to the foregoing, including exemptions from real estate transfer taxes, sales taxes and mortgage taxes (Financing Assistance); and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement (the Closing), (A) the Original Company executed and delivered to the Agency (1) a certain lease to Agency dated as of May 1, 2012 (the Lease to Agency) from the Original Company to the Agency, (2) a certain license agreement dated as of May 1, 2012 (the License to Agency) by and between the Original Company, as licensor, and the Agency, as licensee, pursuant to which the Original Company granted to the Agency (a) a license to enter upon the balance of the Land (the Licensed Premises) for the purpose of undertaking and completing the Project and (b) in the event of an occurrence of an Event of Default by the Original Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement, (3) a bill of sale dated as of May 1, 2012 (the Bill of Sale to Agency), which conveyed to the Agency all right, title and interest of the Original Company in the Equipment and (4) a payment in lieu of tax agreement dated as of May 1, 2012 (the Payment in Lieu of Tax Agreement) by and between the Agency and the Original Company, pursuant to which the Original Company agreed to pay certain payments in lieu of taxes with respect to the Project Facility and (B) the Agency (1) mailed to the assessor and the chief executive officer of each affected tax jurisdiction (within the meaning of such quoted term in Section 854(16) of the Act) a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) (the Real Property Tax Exemption Form) relating to the Project Facility and the Payment in Lieu of Tax Agreement and (2) executed and delivered to the Original Company a sales tax exemption letter (the Sales Tax Exemption Letter) to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance (collectively, with the Lease Agreement, the Basic Documents); and

WHEREAS, on or about December 19, 2012, the Agency and the Original Company entered into an assignment and assumption agreement (the Assignment and Assumption Agreement), whereby the Original Company assigned the Project Facility (as defined in the Lease Agreement) and the interests of the Original Company in the Basic Documents to RSN Bethlehem LLC (RSN); and

WHEREAS, by letters dated October 14, 2016 counsel to RSN and October 13, 2016 counsel to the New Company (as hereinafter defined), each attached as Exhibit A to this resolution,
have advised the Agency that RSN now desires to convey the Project Facility and its interests in the Basic Documents to CPI Bethlehem BERK I LLC and CPI Bethlehem BERK II LLC, each a limited liability company (collectively, the New Company) and, in connection with such conveyance, provide for the assignment of the Basic Documents from RSN to the New Company, as described in an application (the Application) completed by the New Company and delivered to the Agency; and

WHEREAS, the Lease Agreement provides that RSN is prohibited from selling, leasing, transferring or otherwise conveying any part of the Project Facility without the prior written consent of the Agency; and

WHEREAS, in connection with the conveyance of the Project Facility, RSN and the New Company have requested (the Request) that the Agency (A) consent to and approve the assignment to, and assumption by the New Company, of all of RSN’s interest in the Project Facility, the Basic Documents, including but not limited to the benefits of the Lease Agreement and the Payment in Lieu of Tax Agreement, and (B) authorize the assumption by the New Company of all obligations of RSN under the Basic Documents and the Payment in Lieu of Tax Agreement pursuant to an assignment and assumption agreement (the Assignment and Assumption Agreement); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the SEQR Act) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the Regulations and collectively with the SEQR Act, SEQRA), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Request (collectively, the Assignment); and

WHEREAS, pursuant to SEQRA, the Agency has examined the Assignment in order to make a determination as to whether the Assignment is subject to SEQRA, and, based on discussions with Agency Special Counsel, it appears that the Assignment constitutes a Type II action under SEQRA;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF TOWN OF BETHLEHEM INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. Based upon an examination of the Assignment and discussions with Agency Special Counsel, the Agency hereby makes the following determinations:

(A) The Assignment constitutes a Type II action pursuant to 6 NYCRR 617.5(c)(23) and (26), and therefore that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Assignment.
(B) That since compliance by the Agency with the Assignment will not result in the Agency providing more than $100,000 of financial assistance (as such quoted term is defined in the Act) to the New Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Assignment.

Section 2. The Agency hereby approves the Assignment and consents to (A) the assignment to, and assumption by, the New Company of all of RSNs interest in the Project Facility and the Basic Documents, and (B) the assumption by the New Company of all obligations of RSN under the Basic Documents pursuant to the Assignment and Assumption Agreement; subject in each case, however to the following conditions: (1) receipt by Special Counsel to the Agency of the formation documents of the New Company and certified copies of the authority of the New Company to do business in New York State from the New York State Department of State; (2) receipt of confirmation that all real property taxes and payments in lieu of taxes required by the Project have been satisfied; (3) receipt of confirmation from Agency Counsel that no modifications shall result from the Assignment that result in any new tax relief for the Project (such as an extension of the term, increase in abatement or change in the Payment in Lieu of Tax Agreement); (4) receipt by Agency Counsel of the written consent of any holder of any mortgage on the Project Facility OR evidence that there are no security documents filed relating to the Project; (5) compliance with the terms and conditions contained in the Assignment and Assumption Agreement and the Basic Documents; (6) approval by Agency Counsel to the Agency of the form of the documents to be executed by the Agency in connection with the Assignment, including the Assignment and Assumption Agreement (collectively, the Assignment Documents); (7) receipt by the Agency of its administrative fee relating to the Assignment in an amount equal to $____________ and all fees and expenses incurred by the Agency with respect to the Assignment, including the fees and expenses incurred by Agency Counsel and Special Counsel with respect thereto; (8) that no mortgage tax exemption shall be granted by the Agency in connection with the execution and delivery of the Assignment and Assumption Agreement; and (9) the following additional conditions: ____________________________________.

Section 3. Subject to (A) satisfaction of the conditions contained in Section 2 hereof, including the condition that no modifications provide any new tax relief for the Project (such as an extension of the term, increase in abatement or change in the Payment in Lieu of Tax Agreement); and (B) the execution and delivery of the Assignment Documents by the other parties thereto, the Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Assignment Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the forms thereof approved by counsel to the Agency, with such changes, variations, omissions and insertions as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Assignment Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and
expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Assignment Documents binding upon the Agency.

Section 5. This Resolution shall take effect immediately.

RESULT: APPROVED [UNANIMOUS]
MOVER: Victoria Storrs, Assistant Secretary
SECONDER: David Kidera, Board Member
AYES: Venezia, Richardson, McCann, Storrs, Maniccia, Kidera
ABSENT: Sandra Shapard

- APPLICATION OF CPI BETHLEHEM SEF I LLC AND CPI BETHLEHEM SEF II LLC FOR ASSIGNMENT, ASSUMPTION, CONSENT AND RELEASE OF FINANCIAL ASSISTANCE DOCUMENTS NOW OWNED BY RSN BETHLEHEM LLC (12 VISTA BLVD) (MICHAEL HANSON)

- A. AGENCY FEE (CONNOLLY)
A fee of $1,500 was agreed on for each transaction.

- B. RESOLUTION (SCOTT)
Upon motion by Ms. Storrs, seconded by Mr. Richardson, with all members present in favor, the Agency approved the resolution approving the assignment, assumption, consent and release of financial assistance documents by CPI Bethlehem SEF I LLC and CPI Bethlehem SEF II LLC.

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WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on May 9, 2012, (the “Closing Date”), the Agency entered into a lease agreement dated as of May 1, 2012 (the “Lease Agreement”) by and between the Agency and Columbia Bethlehem SEF LLC (the “Original Company”) for the purpose of undertaking a project (the “Project”) consisting of the following: (A) (1) the acquisition of an interest in an approximately 1.0 acre parcel of land located at 12 Vista Boulevard in the Town of Bethlehem, Albany County, New York (the “Land”), (2) the construction on the Land of an approximately 2,500 square foot building (the “Facility”), (3) the further construction on the Land of related parking and other infrastructure improvements (collectively, the “Improvements”) and (4) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property including without limitation tenant improvement and finish (collectively, the “Equipment”) (the Land, the Facility, the Improvements and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Original Company and leased to a tenant for use by the tenant as a financial branch center for banking services and other related uses; (B) the lease (with or without an option to purchase) or sale of the Project Facility to the Original Company and (C) the granting of certain financial assistance with respect to the foregoing, including exemptions from real estate transfer taxes, sales taxes and mortgage taxes (“Financing Assistance”); and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement (the “Closing”), (A) the Original Company executed and delivered to the Agency (1) a certain lease to Agency dated as of May 1, 2012 (the “Lease to Agency”) from the Original Company to the Agency, (2) a certain license agreement dated as of May 1, 2012 (the “License to Agency”) by and between the Original Company, as licensor, and the Agency, as licensee, pursuant to which the Original Company granted to the Agency (a) a license to enter upon the balance of the Land (the “Licensed Premises”) for the purpose of undertaking and completing the Project and (b) in the event of an occurrence of an Event of Default by the Original Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement, (3) a bill of sale dated as of May 1, 2012 (the “Bill of Sale to Agency”), which conveyed to the Agency all right, title and interest of the Original Company in the Equipment and (4) a payment in lieu of tax agreement dated as of May 1, 2012 (the “Payment in Lieu of Tax Agreement”) by and between the Agency and the Original Company, pursuant to which the Original Company agreed to pay certain payments in lieu of taxes with respect to the Project Facility and (B) the Agency (1) mailed to the assessor and the chief executive officer of each “affected tax jurisdiction” (within the meaning of such quoted term in Section 854(16) of the Act) a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) (the “Real Property Tax Exemption Form”) relating to the Project Facility and the Payment in Lieu of Tax Agreement and (2) executed and delivered to the Original Company a sales tax exemption letter (the “Sales Tax Exemption Letter”) to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance (collectively, with the Lease Agreement, the “Basic Documents”); and
WHEREAS, on or about December 19, 2012, the Agency and the Original Company entered into an assignment and assumption agreement (the “Assignment and Assumption Agreement”), whereby the Original Company assigned the Project Facility (as defined in the Lease Agreement) and the interests of the Original Company in the Basic Documents to RSN Bethlehem LLC (“RSN”); and

WHEREAS, by letters dated October 14, 2016 counsel to RSN and October 13, 2016 counsel to the New Company (as hereinafter defined), each attached as Exhibit A to this resolution, have advised the Agency that RSN now desires to convey the Project Facility and its interests in the Basic Documents to CPI Bethlehem SEF I LLC and CPI Bethlehem SEF II LLC, each a limited liability company (collectively, the “New Company”) and, in connection with such conveyance, provide for the assignment of the Basic Documents from RSN to the New Company, as described in an application (the “Application”) completed by the New Company and delivered to the Agency; and

WHEREAS, the Lease Agreement provides that RSN is prohibited from selling, leasing, transferring or otherwise conveying any part of the Project Facility without the prior written consent of the Agency; and

WHEREAS, in connection with the conveyance of the Project Facility, RSN and the New Company have requested (the “Request”) that the Agency (A) consent to and approve the assignment to, and assumption by the New Company, of all of RSN’s interest in the Project Facility, the Basic Documents, including but not limited to the benefits of the Lease Agreement and the Payment in Lieu of Tax Agreement, and (B) authorize the assumption by the New Company of all obligations of RSN under the Basic Documents and the Payment in Lieu of Tax Agreement pursuant to an assignment and assumption agreement (the “Assignment and Assumption Agreement”); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the “Regulations” and collectively with the SEQR Act, “SEQRA”), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Request (collectively, the “Assignment”); and

WHEREAS, pursuant to SEQRA, the Agency has examined the Assignment in order to make a determination as to whether the Assignment is subject to SEQRA, and, based on discussions with Agency Special Counsel, it appears that the Assignment constitutes a Type II action under SEQRA;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF TOWN OF BETHLEHEM INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:
Section 1. Based upon an examination of the Assignment and discussions with Agency Special Counsel, the Agency hereby makes the following determinations:

(A) The Assignment constitutes a “Type II action” pursuant to 6 NYCRR 617.5(c)(23) and (26), and therefore that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Assignment.

(B) That since compliance by the Agency with the Assignment will not result in the Agency providing more than $100,000 of “financial assistance” (as such quoted term is defined in the Act) to the New Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Assignment.

Section 2. The Agency hereby approves the Assignment and consents to (A) the assignment to, and assumption by, the New Company of all of RSN’s interest in the Project Facility and the Basic Documents, and (B) the assumption by the New Company of all obligations of RSN under the Basic Documents pursuant to the Assignment and Assumption Agreement; subject in each case, however to the following conditions: (1) receipt by Special Counsel to the Agency of the formation documents of the New Company and certified copies of the authority of the New Company to do business in New York State from the New York State Department of State; (2) receipt of confirmation that all real property taxes and payments in lieu of taxes required by the Project have been satisfied; (3) receipt of confirmation from Agency Counsel that no modifications shall result from the Assignment that result in any new tax relief for the Project (such as an extension of the term, increase in abatement or change in the Payment in Lieu of Tax Agreement); (4) receipt by Agency Counsel of the written consent of any holder of any mortgage on the Project Facility OR evidence that there are no security documents filed relating to the Project; (5) compliance with the terms and conditions contained in the Assignment and Assumption Agreement and the Basic Documents; (6) approval by Agency Counsel to the Agency of the form of the documents to be executed by the Agency in connection with the Assignment, including the Assignment and Assumption Agreement (collectively, the “Assignment Documents”); (7) receipt by the Agency of its administrative fee relating to the Assignment in an amount equal to $________ and all fees and expenses incurred by the Agency with respect to the Assignment, including the fees and expenses incurred by Agency Counsel and Special Counsel with respect thereto; (8) that no mortgage tax exemption shall be granted by the Agency in connection with the execution and delivery of the Assignment and Assumption Agreement; and (9) the following additional conditions:

Section 3. Subject to (A) satisfaction of the conditions contained in Section 2 hereof, including the condition that no modifications provide any new tax relief for the Project (such as an extension of the term, increase in abatement or change in the Payment in Lieu of Tax Agreement); and (B) the execution and delivery of the Assignment Documents by the other parties thereto, the Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Assignment Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the forms thereof approved by counsel to the Agency, with such changes, variations, omissions and
insertions as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Assignment Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Assignment Documents binding upon the Agency.

Section 5. This Resolution shall take effect immediately.

RESULT:  APPROVED [UNANIMOUS]
MOVER:  Victoria Storrs, Assistant Secretary
SECONDER:  Joseph P. Richardson, Board Member/Vice Chairman
AYES:  Venezia, Richardson, McCann, Storrs, Maniccia, Kidera
ABSENT:  Sandra Shapard

- REGULAR MEETING - NOVEMBER 18, 2016 8:00 A.M. AUDITORIUM

VII. Adjourn

The meeting was adjourned on a motion by Mr. Richardson, seconded by Ms. Storrs, with all members present in approval.
October 25, 2016

Mr. Frank Venezia, Chair
Town of Bethlehem Industrial Development Agency
445 Delaware Avenue
Delmar, New York 12054

Re: SAE Sun and Earth Energy Incorporated ("Company") with
Town of Bethlehem Industrial Development Agency ("Agency")
regarding 21 Vista Boulevard and 85 Vista Boulevard ("Project")

Dear Mr. Venezia:

In connection with the above Project, we are hereby requesting an extension of the expiration date of Approving Resolution no. 0215, adopted pursuant to the Agency meeting of February 27, 2015, extended by Resolution adopted pursuant to the Agency meeting of February 26, 2016 and further extended by Resolution adopted pursuant to the Agency meeting of September 23, 2016, from the current expiration date for the start of construction of November 25, 2016 to April 25, 2017.

Three months ago, when negotiating financing with Key Bank, we were made aware of a special financing option through the SBA. This option permits us to finance up to 90% of the Project in addition to extending the loan for a longer term and offering a lower interest rate. The downside of the SBA option is the processing time and lack of flexibility.

One of our companies (SMG) is a joint venture with another solar company. As it stands, the SBA would require a guarantee of the loan from this other solar company. We are currently resolving this requirement although the process has been time consuming and laborious.

In order to move forward with the Project while waiting for the resolution, Key Bank has agreed to issue a commitment contingent on this resolution. They have an estimated date to deliver the commitment of December 1 (see attached email). This commitment will give us the assurance we need to close on the land and obtain the required permits in mid-December.
Once we close on the financing, we will be ready to begin construction and expand Monolith Solar into the Town of Bethlehem as planned. We would appreciate the extension of time necessary to complete our Project.

Please let me know if there is any further information you may need to review this request. Thank you.

Very truly yours,

SAE Sun and Earth Energy Incorporated

Mark Fopare, Vice President

cc: Thomas P. Connolly, Esq. (via Email to connolly@mltlaw.com)
    A. Joseph Scott, Esq. (via Email to ascott@hodgsonruess.com)
APPROVING EXTENSION OF APPROVAL RESOLUTION – ADDITIONAL APPROVAL
SAE SUN AND EARTH ENERGY INCORPORATED PROJECT

A regular meeting of Town of Bethlehem Industrial Development Agency (the “Agency”) was convened in public session in the Town Hall auditorium located at 445 Delaware Avenue in the Town of Bethlehem, Albany County, New York on November 18, 2016 at 8:00 o’clock a.m., local time.

The meeting was called to order by the Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Frank S. Venezia                Chairman
Joseph P. Richardson           Vice Chairman
Tim McCann                     Secretary
Victoria Storrs                Assistant Secretary
David Kidera                   Member
Timothy Maniccia               Member
Sandra Shapard                 Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Thomas P. Connolly, Esq.       Executive Director, Assistant Secretary and Agency Counsel
Allen F. Maikels               Treasurer, Chief Financial Officer and Contracting Officer
Elizabeth Staubach             Economic Development Coordinator
Robin Nagengast                Assistant to the Executive Director
Robert Leslie                  Director, Department of Economic Development & Planning
A. Joseph Scott, III, Esq.     Special Counsel

The following resolution was offered by __________________, seconded by __________________, to wit:

RESOLUTION APPROVING AN ADDITIONAL EXTENSION OF THE EXPIRATION DATE RELATING TO THE FINAL APPROVAL RESOLUTION ADOPTED BY THE TOWN OF BETHLEHEM INDUSTRIAL DEVELOPMENT AGENCY WITH RESPECT TO A COMMERCIAL PROJECT FOR SAE SUN AND EARTH ENERGY INCORPORATED.

WHEREAS, Town of Bethlehem Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 582 of the 1973 Laws of New York, as amended, constituting Section 909-b of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance
the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in November, 2014, SAE Sun and Earth Energy Incorporated, a New York business corporation (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in an approximately 4.03 acre parcel of land located at 85 Vista Boulevard in the Town of Bethlehem, Albany County, New York (the “Land”), (2) the construction on the Land of an approximately 26,000 square foot building (the “Facility”), and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the “Equipment”) (the Land, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and operated by the Company as its corporate headquarters and research, development and manufacturing facility and other related uses; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on December 18, 2014 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Executive Director of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on December 23, 2014 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on December 22, 2014 on a bulletin board located outside the Town Clerk’s office located at 445 Delaware Avenue in the Town of Bethlehem, Albany County, New York and on the Agency’s website, (C) caused notice of the Public Hearing to be posted on December 22, 2014 on a bulletin board located outside the Town Clerk’s office located at 445 Delaware Avenue in the Town of Bethlehem, Albany County, New York and on the Agency’s website, (C) caused notice of the Public Hearing to be published on December 26, 2014 in the Albany Times Union, a newspaper of general circulation available to the residents of the Town of Bethlehem, Albany County, New York, (D) conducted the Public Hearing on January 14, 2015 at 5:00 o’clock p.m., local time in the Auditorium of the Town of Bethlehem Town Hall located at 445 Delaware Avenue in the Town of Bethlehem, Albany County, New York, and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), (A) on May 9, 2008 the Town of Bethlehem Planning Board (the
“Town Board”), acting as “lead agency” with respect to a larger project (the “Vista Project”) in which this Project is a part of, accepted a final environmental impact statement (the “FEIS”) with respect to the Vista Project, (B) on May 29, 2008, the Town Board adopted findings with respect to the Vista Project, as required by SEQRA, and filed such findings with the Agency, as an involved agency, and the other involved agencies and (C) by resolution adopted by the members of the Agency on June 22, 2011 (the “SEQR Resolution Adopting Findings of Lead Agency”), the Agency adopted the findings of the Town Board with respect to the Vista Project; and

WHEREAS, further, pursuant to SEQRA, by resolution adopted by the members of the Agency on February 27, 2015 (the “SEQR Resolution”), the Agency determined, upon review of the Application and other materials submitted by the Company to the Agency with respect to the Project (collectively, the “Reviewed Materials”), that (A) the Project will be carried out in conformance with the conditions and thresholds established for such actions identified in the FEIS and (B) therefore, pursuant to Section 617.10(d)(1) of the Regulations, the Agency determined that no further SEQR compliance is required with respect to the Project; and

WHEREAS, by resolution adopted by the members of the Agency on February 27, 2015 (the “Approving Resolution”), the Agency determined to grant the Financial Assistance and to enter into a lease agreement (the “Lease Agreement”) between the Agency and the Company and certain other documents related thereto and to the Project (collectively with the Lease Agreement, the “Basic Documents”); and

WHEREAS, pursuant to Section 10 of the Approving Resolution, the Approving Resolution was scheduled to expire on February 27, 2016, unless the Agency granted an extension to such expiration date; and

WHEREAS, by resolution adopted on February 26, 2016, the Agency approved an extension of the expiration date to August 25, 2016; and

WHEREAS, by resolution adopted on August 24, 2016, the Agency approved an extension to November 25, 2016; and

WHEREAS, the Company has provided a written request dated October 25, 2016 (the “Third Extension Request”), a copy of which Third Extension Request is attached as Schedule A to this resolution, requesting an additional extension of the expiration date of the Approving Resolution; and

WHEREAS, the members of the Agency have reviewed the Third Extension Request and desire to extend the expiration date of the Approving Resolution; and

WHEREAS, the members in connection with their discussion regarding the Third Extension Request desire to make clear in the minutes of the Agency that any decision by the Agency with respect to the Third Extension Request does not modify the Agency’s policy with respect to any subsequent requests for the Project or any other project considered or to be considered by the Agency;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF TOWN OF BETHLEHEM INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. Based upon the representations made by the Company in the Third Extension Request, the Agency hereby finds that the Project is important to the development of the Vista Project and the creation of jobs in the Town of Bethlehem, New York, and, therefore, the Agency hereby determines that it is desirable and in the public interest to extend the expiration dates provided in the Approval Resolution.
Section 2. The Agency hereby determines to extend the expiration dates described in Section 10 of the Approval Resolution as follows:

(A) That construction must start no later than April 25, 2017; and

(B) That the Project must be complete no later than April 25, 2018.

Section 3. The officers, employees and agents of the Agency are hereby authorized and directed, for and in the name and on behalf of the Agency, to do all acts and things required or provided for by the provisions of this Resolution, and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of this Resolution binding upon the Agency.

Section 4. Except as modified by this Resolution, the Approving Resolution, as previously modified, shall remain in full force and effect and the terms and conditions thereof are hereby confirmed.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Voting</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Frank S. Venezia</td>
<td>VOTING</td>
<td></td>
</tr>
<tr>
<td>Joseph P. Richardson</td>
<td>VOTING</td>
<td></td>
</tr>
<tr>
<td>Tim McCann</td>
<td>VOTING</td>
<td></td>
</tr>
<tr>
<td>Victoria Storrs</td>
<td>VOTING</td>
<td></td>
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<tr>
<td>David Kidera</td>
<td>VOTING</td>
<td></td>
</tr>
<tr>
<td>Timothy Maniccia</td>
<td>VOTING</td>
<td></td>
</tr>
<tr>
<td>Sandra Shapard</td>
<td>VOTING</td>
<td></td>
</tr>
</tbody>
</table>

The Resolution was thereupon declared duly adopted.
STATE OF NEW YORK
COUNTY OF ALBANY

I, the undersigned, (Assistant) Secretary of Town of Bethlehem Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the annexed extract of the minutes of the meeting of the Agency, including the resolution contained therein, held on November 18, 2016, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting, (B) said meeting was in all respects duly held, (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and public notice of the time and place of said meeting was duly given in accordance with such Article 7 and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 18th day of November, 2016.

__________________________
(Assistant) Secretary

(SEAL)
SCHEDULE A

PROJECT APPLICANT REQUEST

A-1
SAE Sun and Earth Energy Incorporated

444 Washington Street, Rensselaer, New York 12144

Office: (518) 444-2044
Fax: (518) 621-7061

Mark Fishers
Vice President
mark.fishers@woordtheater.com

October 25, 2016

Mr. Frank Venezia, Chair
Town of Bethlehem Industrial Development Agency
445 Delaware Avenue
Delmar, New York 12054

Re: SAE Sun and Earth Energy Incorporated ("Company") with
Town of Bethlehem Industrial Development Agency ("Agency")
regarding 21 Vista Boulevard and 85 Vista Boulevard ("Project")

Dear Mr. Venezia:

In connection with the above Project, we are hereby requesting an extension of the expiration date of Approving Resolution no. 0215, adopted pursuant to the Agency meeting of February 27, 2015, extended by Resolution adopted pursuant to the Agency meeting of February 26, 2016 and further extended by Resolution adopted pursuant to the Agency meeting of September 23, 2016, from the current expiration date for the start of construction of November 25, 2016 to April 25, 2017.

Three months ago, when negotiating financing with Key Bank, we were made aware of a special financing option through the SBA. This option permits us to finance up to 90% of the Project in addition to extending the loan for a longer term and offering a lower interest rate. The downside of the SBA option is the processing time and lack of flexibility.

One of our companies (SMG) is a joint venture with another solar company. As it stands, the SBA would require a guarantee of the loan from this other solar company. We are currently resolving this requirement although the process has been time consuming and laborious.

In order to move forward with the Project while waiting for the resolution, Key Bank has agreed to issue a commitment contingent on this resolution. They have an estimated date to deliver the commitment of December 1 (see attached email). This commitment will give us the assurance we need to close on the land and obtain the required permits in mid-December.

S(4) Accounting\Accounting - Private\Financing\Vista Project\DA\Venezia letter v4 (extension) 10-25-2016.doc

A-2

Error! Unknown document property name.
Once we close on the financing, we will be ready to begin construction and expand Monolith Solar into the Town of Bethlehem as planned. We would appreciate the extension of time necessary to complete our Project.

Please let me know if there is any further information you may need to review this request. Thank you.

Very truly yours,

SAE Sun and Earth Energy Incorporated

Mark Fobare, Vice President

cc: Thomas P. Connolly, Esq. (via Email to connolly@ultlaw.com)
A. Joseph Scott, Esq. (via Email to ascott@hodgsonruess.com)
BETHLEHEM INDUSTRIAL DEVELOPMENT AGENCY
STATEMENT OF NET ASSETS
October 31, 2016

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>October 31, 2016</th>
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<tbody>
<tr>
<td>Current Assets</td>
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<td>Checking/Savings</td>
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<tr>
<td>200.04 Cash-M&amp;T Bank Agency Account</td>
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<tr>
<td>Total Checking/Savings</td>
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<tr>
<td>Other Current Assets</td>
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<tr>
<td>380  Fee Receivable</td>
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<tr>
<td>480  Prepaid Expense</td>
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<tr>
<td>Total Other Current Assets</td>
<td>11,602.83</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>11,602.83</td>
</tr>
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</table>

**TOTAL ASSETS**

| TOTAL ASSETS                               | 537,392.48 |

| LIABILITIES & EQUITY                        |            |
| Liabilities                                 |            |
| Current Liabilities                         |            |
| 601  Accrued Expenses                       | 53,336.97  |
| Total Current Liabilities                   | 53,336.97  |
| Total Liabilities                           | 53,336.97  |

| Equity                                      |            |
| 924  Net Assets                             |            |
| 924.3 Net Assets-Unassigned                 | 484,055.51 |
| Total 924 Net Assets                        | 484,055.51 |
| Total Equity                                | 484,055.51 |

**TOTAL LIABILITIES & EQUITY**

| TOTAL LIABILITIES & EQUITY                  | 537,392.48 |
BETHLEHEM INDUSTRIAL DEVELOPMENT AGENCY
STATEMENT OF REVENUE AND EXPENSES
October 31, 2016

ORDINARY INCOME/EXPENSE

Income
  2116  FEE INCOME  54,636.10
  2116.1 PSEG ENERGY REIMB  43,530.90
Total Income  98,167.00

Expenses
  6460.1 Salaries and Wages  39,680.00
  6460.4 Contractual Expenses  83,573.08
  6460.8 Employee Benefits  12,916.80
Total Expenses  136,169.88

NET ORDINARY INCOME  -38,002.88

Other Income/Expense

Other Income
  2401 Interest Income  262.24

Total Other Income  262.24

NET INCOME  -37,740.64
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<tr>
<th>Ordinary Income/Expense</th>
<th>Oct-16 YTD Budget</th>
<th>Variance</th>
<th>Annual Budget</th>
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<tr>
<td>Income</td>
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<tr>
<td>2116 Fee Income</td>
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<td>30,545.00</td>
<td>24,091.10</td>
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<tr>
<td>2116.1 Energy Reimb</td>
<td>43,530.90</td>
<td>88,333.40</td>
<td>-44,802.50</td>
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<tr>
<td>Total Income</td>
<td>98,167.00</td>
<td>118,878.40</td>
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<tr>
<td>Expenses</td>
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<tr>
<td>6460.1 Salaries and Wages</td>
<td>39,680.00</td>
<td>39,680.00</td>
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<tr>
<td>6460.4 Contractual Expenses</td>
<td>83,573.08</td>
<td>87,583.40</td>
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<td>6460.8 Employee Benefits</td>
<td>12,916.80</td>
<td>11,070.00</td>
<td>1,846.80</td>
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<td>Total Expenses</td>
<td>136,169.88</td>
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<td>Net Ordinary Income</td>
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<tr>
<td>Other Income</td>
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<tr>
<td>2401 Interest Income</td>
<td>262.24</td>
<td>250.00</td>
<td>12.24</td>
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<tr>
<td>Total Other Income</td>
<td>262.24</td>
<td>250.00</td>
<td>12.24</td>
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<tr>
<td>Net Income</td>
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<td>-19,205.00</td>
<td>-18,535.64</td>
</tr>
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</table>
2017

ADMINISTRATIVE SERVICES CONTRACT

This Agreement is made as of the 1st day of January, 2017, by and between the following parties:

TOWN OF BETHLEHEM INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation organized and existing under the laws of the State of New York having a principal place of business located at 445 Delaware Avenue, Delmar, New York 12054, party of the first part (hereinafter referred to as the “Agency”); and

TOWN OF BETHLEHEM, NEW YORK, a municipal corporation of the State of New York having a principal place of business located at 445 Delaware Avenue, Delmar, New York 12054, party of the second part (hereinafter referred to as the “Municipality”).

WITNESSETH:

WHEREAS, the Agency is authorized and empowered by the provisions of the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 582 of the 1973 Laws of New York, as amended, constituting Section 909-b of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, recreation and civic facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act (A) to make by-laws for the management and regulation of its affairs and (B) to appoint officers, agents and employees, to prescribe their qualifications and to fix their compensation and to pay the same out of funds of the Agency; and

WHEREAS, the Agency has employed an Chief Executive Officer/Executive Director (“Executive Director”) and Chief Financial Officer; and,

WHEREAS, pursuant to Section 858(6) of the Act, the Agency is authorized and empowered, with the consent of the Municipality, to use agents and employees of the Municipality, paying the Municipality its agreed proportion of the compensation or costs; and

WHEREAS, the Agency and the Municipality agree that the Municipality shall provide
certain services of the staff of the Municipality and of the Municipality’s Department of Economic Development and Planning (“Department”), to act as the staff of the Agency on a part-time basis in 2017; and

Whereas, the revenues of the Agency are variable, episodic and unpredictable, and

Whereas the Agency has adopted a policy requiring a fund balance of $450,000.00 ("Fund Balance Policy"); and

WHEREAS, the Agency wishes to compensate the Municipality for the Services within the limitations of Agency revenue and Fund Balance Policy as set forth on Exhibit A;

NOW, THEREFORE, the parties hereto agree as follows:

SECTION I
DUTIES AND RESPONSIBILITIES OF THE MUNICIPALITY

SECTION 1.1. SERVICES. (i) The Municipality shall provide the services of the Department’s Director (“Director”) and Economic Development Coordinator (“Coordinator”) and the Administrative Assistant to the Supervisor of the Municipality (“Administrative Assistant”) to provide consulting services to the Agency on a part-time basis. The services of the Director shall be to report to the Agency at its regular and special meetings on projects under review by the Department, the Planning Board and Zoning Board of Appeals. The services of the Coordinator shall be to perform assignments for the Agency of about 13.125 hours per week and to report to the Agency at its regular and special meetings about projects assigned by the Agency and the Department relating to economic development in the Municipality. The services of the Administrative Assistant shall be to perform the duties of the Clerk of the Agency (maintaining the records of the Agency, following the Guidelines for IDA Meeting Notices and Minutes and acting as Records Access Officer) and to assist the Executive Director.

(ii) [Intentionally Omitted]

(iii) [Intentionally Omitted]

(iv) [Intentionally Omitted]

SECTION 1.2. TERM. The term of this Agreement shall be from January 1, 2017 through December 31, 2017. The services to be provided by the Municipality hereunder shall be provided only during the term of this Agreement.

SECTION 1.3. STAFF. To accomplish the foregoing services, the Municipality is empowered to use such additional staff of the Municipality as the Department and its Director shall deem necessary to accomplish the Municipality’s obligations under this Agreement.

SECTION 1.4. OFFICE SPACE. The Municipality shall provide, maintain and equip suitable office space
for the Agency.

SECTION II
DUTIES AND RESPONSIBILITIES OF THE AGENCY

SECTION 2.1 PAYMENTS. (A) Contribution. In full consideration for all the services performed by the Municipality in a manner satisfactory to the Agency, the Agency shall pay to the Municipality the amount set forth on Exhibit A annexed hereto and made a part hereof, and one-half of said amount shall be paid on June 15, 2017, and one-half shall be paid on December 15, 2017.

(B) Expenses. [Intentionally Omitted]

(C) Expense Budget. [Intentionally Omitted]

SECTION 2.2. RELEASE. The acceptance by the Municipality of the amount set forth in Section 2.1A hereof shall release the Agency from any and all claims, causes of action and liability to the Municipality, or to its legal representative; rising out of or relating to this Agreement.

SECTION 2.3. MEETINGS. The Agency shall notify the Municipality and the Department and its Director of all meetings of the governing body of the Agency.

SECTION III
CANCELLATION OF AGREEMENT

SECTION 3.1. RIGHT TO CANCEL. Either party shall have the right to cancel this agreement upon sixty (60) days written notice to the other party, for any of the following reasons:

(A) For Cause: Upon any breach, default, or other defect of performance or breach of any representation, warranty or covenant under this Agreement, the Municipality and/or the Agency may cancel this Agreement. In addition, any breach of responsibilities on the part of the Director, including but not limited to theft, pilfering, willful refusal to follow instructions of the Board of the Agency, dereliction of duties, inefficiency in performing his duties, or other acts of a like nature, all as determined by the Agency, the Agency may cancel this Agreement.

(B) Upon Cancellation: Upon either party exercising its right to cancel this Agreement pursuant to paragraph (A) above, the Agency shall pay the prorated amount of Contribution to the Municipality pursuant to this Agreement.

SECTION 3.2. PROCEDURE UPON CANCELLATION. Upon the cancellation of this Agreement, the
Municipality shall comply with the following cancellation procedures:

(A) [Intentionally Omitted]

(B) [Intentionally Omitted]

SECTION 3.3 OWNERSHIP OF DOCUMENTS. Upon expiration or cancellation of this Agreement, all finished and unfinished documents, data, studies and reports, and other property purchased by the Municipality with funds provided by the Agency pursuant to this Agreement, shall become the property of the Agency.

SECTION IV
RELATIONSHIP; INDEMNITY

SECTION 4.1. RELATIONSHIP. (A) The relationship of the Municipality to the Agency arising out of this Agreement shall be that of an independent contractor. The Municipality, in accordance with its status as an independent contractor, covenants and agrees that neither the Municipality, nor any of its officers or employees, will, by reason hereof, make any claim, demand or application for any right or privilege applicable to an officer or employee of the Agency including, but not limited to, worker’s compensation coverage, unemployment insurance benefits, social security coverage, or retirement membership or credit.

(B) All personnel of the Municipality shall be within the employ of the Municipality only, which alone shall be responsible for their work, their direction, and their compensation. Nothing in this Agreement shall impose any liability or duty on the Agency on account of any acts, omissions, liabilities or obligations of the Municipality or any person, firm, company, agency, association, corporation, or organization engaged by the Municipality as expert, consultant, independent contractor, specialist, trainee, employee, servant or agent, or for taxes of any nature including, but not limited to, unemployment insurance and worker’s compensation, and the Municipality hereby agrees to indemnify and hold harmless the Agency against any such liabilities.

SECTION 4.2. INDEMNITY. The Agency shall not be liable for any debts, liens or encumbrances incurred by the Municipality or its officers and employees. The Municipality hereby agrees to indemnify and save harmless, the Agency against any and all claims, liability, loss, damages, costs or expenses which the Agency may hereafter incur, suffer or be required to by reason of any negligent or willful act or omission of the Municipality in the performance of this Agreement.

SECTION V
MISCELLANEOUS PROVISIONS
SECTION 5.1. REQUIRED APPROVALS. (A) The Supervisor of the Municipality has executed this Agreement pursuant to motion adopted by the Board of the Municipality, on ________________, 2016. This Agreement shall be executed at least in duplicate, and, after execution thereof, at least one copy thereof shall be permanently filed by the Municipality in the office of its Clerk.

(B) The Chairman of the Agency has executed this Agreement pursuant to Resolution adopted by the members of the Agency on November 18, 2016. This Agreement shall be executed at least in duplicate, and, after execution thereof, at least one copy thereof shall be permanently filed by the Agency in the records of the Agency.

SECTION 5.2. NOTICES. (A) All notices and other communications hereunder shall be in writing and shall be deemed given when mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

(1) To the Agency:

Town of Bethlehem Industrial Development Agency
445 Delaware Avenue
Delmar, NY 12054
Attention: Chairman

(2) To the Municipality:

Town of Bethlehem
445 Delaware Avenue
Delmar, NY 12054
Attention: Supervisor

(B) The Agency and the Municipality may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates and other communications shall be sent.

SECTION 5.2. WAIVER. No waiver of any breach of any provision of this Agreement shall be binding unless the same shall be in writing and signed by the party waiving said breach. No such waiver shall in any way affect any other term or condition of this Agreement or constitute a cause or excuse for a repetition of such or any other breach unless the waiver shall include the same.

SECTION 5.3. SEVERABILITY. If any one or more of the covenants or agreements provided herein on the part of the Agency or the Municipality to be performed shall, for any reason, be held or shall, in fact, be inoperative, unenforceable or contrary to law in any particular case, such circumstance shall not render the provision in question inoperative or unenforceable in any other case or circumstance. Further, if any one or more of the phrases, sentences, clauses, paragraphs or sections herein shall be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed separable from the remaining covenants and agreements hereof and shall in no way affect the validity of the other provisions of this Agreement.

SECTION 5.4. ENTIRE AGREEMENT; AMENDMENTS. The foregoing contains the entire Agreement of the Agency and the Municipality and no modification thereof shall be binding unless the same is in writing and signed by the respective parties. This Agreement may not be amended, changed, modified,
altered or terminated, except by an instrument in writing signed by the parties hereto.

SECTION 5.5. EXECUTION OF COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 5.6. APPLICABLE LAW. This Agreement shall be governed exclusively by and construed in accordance with the applicable laws of the State of New York.

SECTION 5.7. TABLE OF CONTENTS AND SECTION HEADINGS NOT CONTROLLING. The Table of Contents and the headings of the several Sections in this Agreement have been prepared for convenience of reference only and shall not control, affect the meaning of or be taken as an interpretation of any provision of this Agreement.

SECTION 5.8. BINDING EFFECT. All covenants and agreements herein contained by or on behalf of the Agency and the Municipality shall bind and inure to the benefit of the respective successors and assigns of the Agency and the Municipality, whether so expressed or not.

SECTION 5.9. ASSIGNMENT. The Municipality is hereby prohibited from assigning, transferring, conveying, subletting or otherwise disposing of this Agreement, or of its right, title or interest in this Agreement, or of its power to execute this Agreement, to any other person or corporation, without the prior written consent of the Agency.

SECTION 5.10. LIMITATION OF LIABILITY. The obligations and agreements of the Agency contained herein shall be deemed the obligations and agreements of the Agency, and not of any member, officer, agent or employee of the Agency in his individual capacity, and the members, officers, agents and employees of the Agency shall not be liable personally hereon or be subject to any personal liability or accountability based upon or in respect hereof or of any transaction contemplated hereby. The obligations and agreements of the Agency contained herein shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from the general funds of the Agency. Notwithstanding any provision of this Agreement to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (1) the Agency shall have been requested to do so in writing by the Municipality; and (B) if compliance with such request is reasonably expected to result in the incurrence by any member, officer, agent or employee of the Agency of any liability, fees, expenses or other costs, such person shall have received from the Municipality security or indemnity satisfactory to the Agency for protection against all such liability and for the reimbursement of all such fees, expenses and other costs.
WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

APPROVED AS TO FORM: TOWN OF BETHLEHEM INDUSTRIAL DEVELOPMENT AGENCY

BY: ____________________________
   Agency Counsel

BY: ____________________________
   (Vice) Chairperson

APPROVED AS TO FORM: TOWN OF BETHLEHEM

BY: ____________________________
   Municipality Attorney

BY: ____________________________
   Supervisor
STATE OF NEW YORK

COUNTY OF ALBANY

On the 18th day of November in the year 2016 before me, the undersigned, a notary public in and for said state, personally appeared FRANK S. VENEZIA personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

________________________________
Notary Public

STATE OF NEW YORK

COUNTY OF ALBANY

On the ____ day of ___________________ in the year 2016 before me, the undersigned, a notary public in and for said state, personally appeared JOHN CLARKSON, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument.

________________________________
Notary Public
Town of Bethlehem and Town of Bethlehem IDA  
2017 Service Agreement

Exhibit A

<table>
<thead>
<tr>
<th>Position Allocation:</th>
<th>Budgeted Salary</th>
<th>Est. Hours per Week</th>
<th>Percent Allocation</th>
<th>Dollars Allocable to IDA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Salaries</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director of Div. Econ Dev &amp; Planning (Leslie)</td>
<td>101,958</td>
<td>6.00</td>
<td>16.0%</td>
<td>16,313</td>
</tr>
<tr>
<td>Administrative Aide (Nagengast)</td>
<td>59,514</td>
<td>4.00</td>
<td>11.4%</td>
<td>6,802</td>
</tr>
<tr>
<td>Economic Director (Staubach)</td>
<td>70,104</td>
<td>18.75</td>
<td>a 35.0%</td>
<td>b 24,537</td>
</tr>
<tr>
<td><strong>Fringes</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director of Planning</td>
<td>43,286</td>
<td></td>
<td>16.0%</td>
<td>6,926</td>
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<tr>
<td>Administrative Aide</td>
<td>13,716</td>
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<td>11.4%</td>
<td>1,568</td>
</tr>
<tr>
<td>Senior Planner/Economic Director</td>
<td>25,602</td>
<td></td>
<td>35.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payroll, PILOT Billing &amp; Tracking</td>
<td></td>
<td></td>
<td></td>
<td>16,000</td>
</tr>
</tbody>
</table>

| Total Estimated Costs Incurred by the Town, for the benefit of the IDA | 81,105 |

Agreed Upon Amount for 2017 if Revenues Are Sufficient (not to exceed amount) | 80,000 |

a1/2 Time
b70% of 1/2 time

Agreed Upon Amount for Services for 2017 (not to exceed amount) | 50,000 |

The IDA's 2017 budget includes a provision of $50,000 to fund this agreement. Should the Agency, owing to new project approvals, receive revenues sufficient to provide full reimbursement for the agreed upon amount of the total estimated costs incurred by the town ($80,000), then such may be paid either within FY 2017 or thereafter, provided the IDA Board so approves.

The Town will supply meeting space, video streaming/agenda service, website and other support as needed.